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Organizational matters

Report of the second regular session 2017 (5 to 11 September 2017, New York)

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I. Organizational matters

1. The second regular session 2017 of the Executive Board of UNDP, UNFPA and UNOPS was held at United Nations Headquarters in New York from 5 to 11 September 2017.

2. The Executive Board adopted the agenda and workplan for its second regular session 2017 (DP/2017/L.3), and adopted the report of the annual session 2017 (DP/2017/28). The Board approved the draft annual workplan for 2018 (DP/2017/CRP.2) and approved the tentative workplan for the first regular session 2018. Both documents will be presented for adoption of the Board at the first regular session 2018. The Board has also approved the tentative workplan for the special session 2017 (28 November 2017).

3. Decisions adopted by the Executive Board in 2017 will appear in document DP/2018/3, which will be available on the Executive Board website.

4. The Executive Board agreed in decision 2017/29 to the following schedule for future sessions of the Executive Board in 2018:

First regular session:	22 to 26 January 2018
Annual session:	4 to 8 June 2018
Second regular session:	4 to 7 September 2018

UNDP segment

II. & IV. Statement by the Administrator and UNDP strategic plan, 2018-2021, including financial, budgetary and administrative matters

Statement by the Administrator

5. In his first address to the Executive Board (available on the Executive Board website) as Administrator of UNDP, Mr. Achim Steiner drew attention to constantly evolving challenges and opportunities for UNDP in advancing the global development agenda. Achieving the 2030 Agenda for Sustainable Development and the Sustainable Development Goals would be complex and demanded both a 'truly integrated approach' to leave no one behind as well as a new set of skills to identify and manage associated risks. He pointed to mega-trends that could derail efforts, such as persistent poverty, rising inequalities, rapid population growth, migration, urbanization, environmental degradation and climate change – in addition to shifting trends in development cooperation and financing for development.

6. UNDP would respond to those challenges with high-quality, integrated policies and programmes, tailored to country realities and conducive to achieving the Goals, while working closely with partners in the United Nations Development Group (UNDG) to make the United Nations development system fit-for-purpose. UNDP shared the reform vision of the Secretary-General to make the United Nations better at working together to deliver results for people. The Executive Board played an indispensable role in helping UNDP reach its full potential and, as such, the organization would ensure the Board received the information and evidence it needed to provide strategic guidance. The Administrator looked forward to a strong partnership with the Board based on honest, open, continuous dialogue in mutual respect and support.

7. Turning to the strategic plan, 2018-2021, the Administrator noted that its development was moving quickly, thanks to strong Board feedback and engagement. The new plan's preparation was guided by the 2016 quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/RES/71/243), benefitted from the independent joint evaluation of the strategic plan and global and regional programmes, 2014-2017

(DP/2017/32), and the joint assessment of the institutional effectiveness of UNDP (DP/2017/21). UNDP was committed to taking on evaluation recommendations, including those related to gender equality and South-South cooperation. The new plan sought to optimize UNDP capacity to help countries achieve the 2030 Agenda, and respond effectively to emerging needs in an increasing turbulent world – all focused on reaching the poorest and the marginalized. Maximizing its comparative advantages and collective capacity of the United Nations system, UNDP would tailor its response to diverse country demands, be they least developed countries (LDCs), middle-income countries (MICs) or small-island developing states (SIDS).

8. UNDP would build on its main offers: extensive country presence; long-standing, trusted relationships with governments and partners; and unique ability to develop and help countries implement multisectoral, integrated development solutions. Working through two main entry points – country-level Sustainable Development Goals support platforms and global development and advisory implementation services – UNDP would deliver development solutions for diverse contexts, helping countries to pursue development pathways of their choice, with the ultimate goal of achieving the Goals. Those included *signature development solutions*, aimed at demonstrating tangible progress towards achieving the Goals at country level. Each solution would aim to generate positive transformations to help countries achieve their goals against the 2030 Agenda.

9. The Administrator stressed that delivering the new plan required a financially viable business model and a UNDP fit-for-purpose. Regular (core) resources, however, continued to decline in relative and absolute terms, while cost recovery did not fully cover real costs. The Administrator had begun a systematic review of the UNDP business model to accelerate delivery of quality programmatic results for achieving the Goals and developing scenarios that would make UNDP financially sustainable. The review was inclusive, focused on partnerships and interagency collaboration, and expected to be completed in six to 12 months. He hoped the new strategic plan would give Member States the confidence to raise the level and predictability of core resources – a topic discussed in detail under the structured funding dialogue (item III).

10. In concluding, the Administrator underscored UNDP commitment to global development agendas, with delivering on the 2030 Agenda as the bedrock of its work. UNDP would continue to support governments in implementing the Goals, including through mainstreaming, acceleration and policy support (MAPS) missions. Furthermore, UNDP would support countries suffering from crisis and conflict, working to bridge the humanitarian-development divide and build resilience.

11. The Executive Board congratulated the new Administrator on his appointment and commended him for guiding UNDP in finalizing its new strategic plan and budget, 2018-2021, in close dialogue with Member States. Across the Board, delegations welcomed progress made in developing the new plan and were pleased to see that it: reflected their guidance, was firmly grounded in the 2030 Agenda, the Sustainable Development Goals and the 2016 quadrennial review, and shared the Secretary-General's reform vision to reposition the United Nations development system to deliver on the 2030 Agenda. They looked forward to adopting the new plan at the special session of the Board in November 2017.

12. Delegations welcomed the new plan's preliminary outline, which underscored the organization's mandate and comparative advantage in sustainable development, democratic governance, peacebuilding, and climate and disaster resilience, in support of its ultimate goals to eradicate poverty and reduce inequalities. They welcomed the focus on cross-cutting issues, such as gender equality, disaster risk reduction and early recovery. They were pleased with the new plan's focus on building and deepening partnerships across and outside the United Nations development system, and its system-wide perspective, with prevention at its core. They

welcomed the plan's inclusion of signature development solutions, and were pleased with the plan's common chapter among the four funds and programmes.

13. Many delegations highlighted the primacy of poverty eradication and reducing inequalities as the core of the UNDP mandate, focused on root causes and the need to focus on those left furthest behind and the marginalized. A number of delegations stressed that the new plan should position UNDP as a leader in public sector reform and institution-building, promoting peaceful and inclusive societies, and as key partner for climate and environment action in support of resilience. The importance of a human rights-based approach was highlighted and a number of delegations saw UNDP playing an ever-increasing role in bridging the humanitarian-development nexus.

14. Board members showed strong support for the resident coordinator system, and encouraged a realignment of resources to ensure the system's ability to deliver, while continuing cost-sharing with UNDG. They viewed resident coordinators and the resident coordinator system as the linchpin to delivering results at country level. A strong United Nations development system should showcase leadership, efficiency, value for money, accountability, transparency and performance. Other delegations noted, in reference to the Secretary-General's reform agenda, that reform of the resident coordinator system should avoid disrupting the system's efficiency and delivery.

15. A group of delegations underscored the importance of addressing the special needs of MICs in a comprehensive, integral manner, focused on multidimensional challenges. They stressed the need to develop criteria that went beyond income per capita to reflect the multidimensional nature of present and future challenges. The group called for open dialogue on 'development in transition', including a new approach to country graduation policies and tailored solutions for countries based on individual vulnerabilities. To sustain their gains, MICs required better exchange of experiences, improved coordination and more focused support from the United Nations system. The group urged the United Nations development system to develop a comprehensive system-wide, long-term strategy to facilitate sustainable development cooperation and coordinated support to MICs, in accordance with the quadrennial review.

16. A number of delegations called on UNDP to continue focusing on the special circumstances faced by small island development states by addressing the decline in its core funding, targeting new partnerships and developing a new resource mobilization strategy. They appealed to UNDP to increase predictable, long-term funding to SIDS, which was not a request to transfer, modify or decrease funding from other regions or groups, especially LDCs, but rather for increased engagement and delivery of services and programmes. Small-island developing states, along with MICs and LDCs, stressed the importance of national ownership and leadership and benefits of South-South cooperation. Other delegations commended UNDP for close collaboration with Member States in preparing strong subregional programme documents.

17. Across the board, pointing to the annual review of the financial situation 2016 (DP/2017/30), delegations continued to express deep concern with the ongoing decline in core resources and strongly urged Member States, in a position to do so, to adhere to funding commitments, increase funding to core and make predictable, multi-year, non-earmarked contributions – the only way to guarantee UNDP ongoing universal presence and impartiality. Some delegations requested that UNDP develop a plan of action to address the core resource situation. Others sought a clearer view of how UNDP planned to move away from a project-driven funding structure towards a more flexible and transformative approach. They welcomed the structured funding dialogues as a tool to improving the correlation of resources to results. Board members spoke to the importance of funding LDCs, drawing attention to commitments made in the Addis Ababa Action Agenda. Delegations again encouraged UNDP to explore incentives and mechanisms to broaden its donor base.

18. In response, the Administrator, UNDP, stressed the need to reflect on the evolving development context when discussing the strategic plan. The lessons of development, both global and national, pointed to the need for flexibility in transitioning to a new approach. A key challenge was pursuing clarity in planning while adapting to changing development conditions. While affirming the importance of accountability through planning, monitoring and evaluating, he drew attention to the challenge of measuring performance, efficiency and effectiveness based on appropriate metrics.

19. The Administrator assured Board members of UNDP commitment to promoting gender equality and women's empowerment, including in collaboration with the United Nations Entity for Gender and the Empowerment of Women (UN-Women). UNDP partnered with numerous funds, programmes and specialized agencies, whether programmatically or through services, building on comparative advantages and complementarities. The UNDP proposed global development advisory and implementation services platform was grounded on the premise that UNDP was not only connected to a global network of expertise but a unique actor in delivering on the United Nations promise of development.

20. The Administrator stressed the importance of UNDP continued assistance to MICs, and underscored the role of UNDP in driving innovation for development. On funding, UNDP would pursue 'value propositions', which highlighted its value based on its development offerings, platforms and services, as a means of attracting donor funding. Reaffirming UNDP commitment to United Nations system reform, he stressed that the new strategic plan, 2018-2021, set for Board adoption in November 2017, would ensure enough flexibility to respond to Member States' decisions in that regard.

21. The Executive Board took note of the draft strategic plan, 2018-2021, and draft integrated results and resources framework, 2018-2021.

III. UNDP structured funding dialogue

22. The Director, Bureau of External Relations and Advocacy and the Director, Bureau for Management Services, UNDP, introduced the annual review of the financial situation (DP/2017/30), the detailed information relating to the annual review of the financial situation (DP/2017/30/Add.1) and the status of regular resources funding commitments to UNDP and its funds and programmes for 2017 and onwards (DP/2017/31), which they followed with a joint presentation.

23. Board members welcomed the funding dialogues and UNDP ambition to support governments in creating new modalities to foster partnerships, including with the private sector, in support of financing the Sustainable Development Goals. They underscored the importance of United Nations reform and a results-oriented, strategic, coordinated United Nations development system where funding was a reform driver. Funding catalysed the organizations to focus on mandates, and funding dialogues helped Member States make strategic decisions. UNDP should help Board members understand the kinds of funding required for different functions and address how to fund system-wide results, with incentives for United Nations organizations to collaborate. There was a request for details on efforts among UNDP, UNFPA, UNICEF and UN-Women to improve the structured funding dialogues, and information on how UNDP would connect resources to results in the integrated budget.

24. Delegations called on UNDP to carry out funding dialogues with individual Member States and non-state donors to build trust and foster a sense of shared responsibility for the implementation of the new strategic plan. UNDP should revitalize the dialogues as agency-facilitated intergovernmental processes, through which Member States took responsibility for the way they financed development results in the strategic plan. They suggested developing transparent online tools that allowed Member States to review the funding situation. There was a

call for UNDP to build on its experience with vertical funds, learn from the expertise of the United Nations Capital Development Fund (UNCDF) and develop its collaboration with the World Bank and other international financial institutions.

25. While recognizing UNDP successes in attracting earmarked funds for project implementation, delegations expressed concern with the ongoing decline in core resources and the organization's dependence on a limited number of donors. They stressed the importance of appropriate funding structures and modalities to support the new strategic plan, the need for sufficient, flexible, predictable core funding for the move to a more programmatic approach, and for UNDP to fulfil its normative role and policy function. They welcomed UNDP efforts to manage the consequences of falling core resources, including shielding programmatic budget lines, cutting management costs and reducing the share of core resources dedicated to institutional expenses. They welcomed the effort to ensure full cost-recovery and the increased number of countries contributing to core resources.

26. Delegations sought details on how UNDP could move towards a programme portfolio and suggestions on how funding could become more timely, efficient, predictable and better aligned. They welcomed ideas on how to reduce transaction costs by consolidating programmes and harmonizing donor requirements. They called on UNDP to develop a cost-sharing model that better reflected the cost of different interventions and capacity of partner countries to contribute. One delegation sought clarity on UNDP proposed 'strategic investments' and efforts to mobilize private sector resources. Another asked how the proposed funding approaches interfaced with proposed signature solutions. They noted with concern that UNDP had granted 12 waivers to cost recovery rates in 2016 and urged it to reduce that number in future.

27. In response, the Director, Bureau of External Relations and Advocacy, UNDP, noted that the strategic plan and integrated resources budget, 2018-2021, were the main tools through which UNDP addressed the core/non-core imbalance. UNDP sought to use the new plan to mobilize financing for delivery with Member States and partners. Key to efforts was persuading Member States to fund core resources at their highest levels from the previous 15 years, which would significantly raise core. UNDP sought to broaden its donor base to include greater diversity, including from programme countries and private sector. Interagency efforts had focused on how to ensure greater coherence in organizations' structured funding dialogues, while demonstrating joint results and work. The proposed funding compact of the Secretary-General was part of that effort. UNDP was pursuing innovative finance mechanisms with a growing group of private sector partners interested in addressing the Sustainable Development Goals. There were other approaches under discussions, such as combining core resources and government local office costs, stepping up intergovernmental pledging rounds, streamlining global projects, and promoting interagency resource mobilization efforts for United Nations pooled funds.

28. The Director, Bureau for Management Services, UNDP, highlighted that system-wide resource mobilization and funding efforts remained a challenge. The delivering-as-one pilot phase had demonstrated that coherence funds were powerful drivers of reform. The operational challenge was that United Nations development organizations were funded by Member States on an individual basis. There were two options to address that challenge: Member States could provide UNDP funding for interagency programming, with UNDP taking the lead, or they could place funding in UNDP-administered multi-partner trust funds available for the United Nations system. Those options and funding should be structured with clarity and incentives for joint work, with the same message at each Executive Board. She affirmed that for UNDP to reduce waivers to cost recovery rates it required Member States to abide by cost recovery agreements at country level; she floated the idea of differentiated cost recovery rates based on volume of spending. She said joint donor reporting was a more efficient way for UNDP to report back to Member States. UNDP was committed to transparency and ready to discuss details with Board members. It was actively working to provide Member States with real-time reporting and was

revamping its enterprise resource planning system to that end. She noted that supporting the financing of the Goals was a challenge UNDP was ready to take on to leverage bigger development financing. That included helping programme countries think strategically about their development investments so that they used financing for the Goals through their own national systems. In such cases, UNDP worked to ensure that private sector development-related initiatives were in line with the principles of the 2030 Agenda.

29. The Deputy Director, Bureau for Management Services, UNDP, pointed out that UNDP had managed to mitigate the impact of exchange rates on core resources, thanks to donors' regularly scheduled payments and good intelligence. The biggest challenge was related to non-core resources. Better predictability would make it easier for UNDP to hedge contributions. He appealed to Board members for greater predictability in non-core contributions. The proposed strategic investments remained a work in progress in the draft integrated budget, but UNDP would engage closely on that issue. On interagency contributions, UNDP was engaged in many joint programmes with United Nations organizations at global, regional and country levels. He pointed out that the concept of blended finance was linked to all signature solutions, including traditional financing from grants. It was important for UNDP to update its financing toolbox, which should include performance-based grants, funds and loans. UNDP sought to leverage its partnership with UNCDF to that end.

30. The Board adopted decision 2017/20 on the UNDP structured funding dialogue.

V. Evaluation

31. The Director, Independent Evaluation Office, UNDP, presented the evaluation of the UNDP strategic plan, global and regional programmes, 2014-2017 (DP/2017/32), and the Director, Bureau for Programme and Policy Support, UNDP, provided the management response (DP/2017/33).

32. A group of Board members welcomed the evaluation and management's commitment to acting on its recommendations. They requested that UNDP build on the findings when finalizing the strategic plan and integrated results framework, 2018-2021. They encouraged UNDP to use the Independent Evaluation Office as an instrument to improve organizational effectiveness and programme results, and reiterated the importance of sufficiently funded offices for independent evaluations, audits and investigations. While noting UNDP strengths and weaknesses, the group said the report could have provided more guidance on comparative advantages. The group expressed concern with the low percentage of core funding and variation in resource mobilization between results areas. They encouraged UNDP to develop a strategy to improve the core/non-core imbalance, including through dialogue with current and potential donors.

33. The group encouraged UNDP to develop programme models and funding to respond to differentiated country contexts, especially MICs, in its new business model. They noted that the evaluation pointed to the risk of developing a parallel system of government staff, and recommended that UNDP assess the risk of undermining civil services through long-term off-budget advisory support. They hoped the new strategic plan and business model would provide details on the role and funding of regional offices. Similarly, recognizing evaluation's support for enhanced UNDP thought leadership, they suggested UNDP define its complementarity with the World Bank, which had significant investments in research and policy analysis.

34. On sustainability of interventions, the group requested better analysis of external and internal factors for results, in particular for results-based budgeting. They encouraged UNDP to be at the global forefront of efforts to communicate results, and place more efforts in programmatic value for money. Similarly, they encouraged UNDP to step up efforts to harmonize systems for more joint programming and implementation. They suggested removing

bureaucratic hurdles to facilitate functioning of Sustainable Development Goals support platforms.

35. On democratic governance, the group encouraged UNDP to engage in dialogue with governments to promote not only national ownership and priorities but also the principles of human rights and dignity. They expected the new strategic plan to develop that area further. Similarly, the group reiterated that UNDP should step up its work on gender equality and women's empowerment. They urged UNDP to ensure that gender equality was mainstreamed across programming areas and included men and boys, in partnership with UN-Women.

36. One delegation, sought clarity on whether the evaluation covered all aspects of UNDP programming, and why it seemed to prioritize Goal 16 in its recommendations. The delegation stressed that the Board should be involved in oversight of all UNDP activities, including those on peacebuilding and human rights, which, it noted, did not fall within its mandate. Highlighting that the Board had not modified UNDP programming arrangements in four years, the delegation requested details on how UNDP intended to cover its proposed increased spending in MICs.

37. In response, the Director, Independent Evaluation Office, UNDP, explained the difficulties inherent in evaluating comparative advantage, which required analysing data from other United Nations organizations. The evaluation focused on UNDP areas of expertise. The evaluation had covered all UNDP work but reported only on areas where results and evidence were clear, a normal evaluative practice. He said that an international team had validated the evaluation and stressed that in no way was it partial. The evaluation did report on Goal 16 because it was a UNDP focus area, though not as a priority. He stated that the evaluation's recommendations were not too prescriptive, a task that fell within the Board's mandate.

38. The Director, Bureau for Programme and Policy Support, UNDP, noted that UNDP areas of comparative advantage were well documented. Based on results in those areas, UNDP was aware of where it needed to step up efforts, one being gender. On funding, the focus should be on stabilizing core resources, which, in light of past fluctuations, UNDP viewed as achievable. Doing so would help to address imbalances in other funding areas. On contractual issues, UNDP sought a middle ground between full staff contracts and consultancy contracts to offset it stringent budget situation. UNDP collaborated with many global and regional development banks, including the World Bank, in tackling issues related to the causes of conflict, urban development and the UNDG approach to mainstreaming, acceleration and policy support (MAPS) for implementation of the Goals. He emphasized that UNDP did not think the evaluation focused excessively on Goal 16. Recognizing its sensitivity, UNDP worked on governance only in strict agreement with national governments and in full respect of national ownership.

39. The Executive Board adopted decision 2017/21 on the evaluation of the UNDP strategic plan, global and regional programmes, and management response.

VI. Country programmes and related matters

40. The Director, Regional Bureau for Africa, UNDP, introduced the item and provided an overview of the 15 country programmes up for Board approval as well as the extensions of seven country programmes. The regional directors for Africa, Asia and the Pacific, Arab States, Europe and the Commonwealth of Independent States and Latin America and the Caribbean presented and elaborated on the country programmes for: Bolivia, Central African Republic, Costa Rica, Dominican Republic, Guinea, India, Kyrgyzstan, Nepal, Nigeria, Papua New Guinea, the Republic of Moldova, Sri Lanka, Sudan, Ukraine, and the subregional programme document for the Pacific Island Countries and Territories, as well as the first one-year extensions of the country programmes for the Democratic Republic of the Congo, Equatorial Guinea, South Sudan and the Syrian Arab Republic, the first fifteenth-month extension of the

country programme for South Africa, the exceptional fourth one-year extension of the country programme for Libya and the third two-year extension of the country programme for Yemen.

41. Several Board members whose country programmes were up for Board review and approval commented on the programmes from the national perspective. They highlighted the participatory process followed in designing the country programmes while stressing the importance of national ownership and needs, and the achievements of their partnerships with UNDP at country level. One delegation cautioned Member States to avoid using Board meetings to express positions of a political nature.

42. The Executive Board reviewed and approved, in accordance with Executive Board decision 2014/7, the country programme documents for: Bolivia (DP/DCP/BOL/3), Central African Republic (DP/DCP/CAF/4), Costa Rica (DP/DCP/CRI/3), Dominican Republic (DP/DCP/DOM/3), Guinea (DP/DCP/GIN/3), India (DP/DCP/IND/3), Kyrgyzstan (DP/DCP/KGZ/3), Nepal (DP/DCP/NPL/3), Nigeria (DP/DCP/NGA/3), Papua New Guinea (DP/DCP/PNG/2), the Republic of Moldova (DP/DCP/MDA/3), Sri Lanka (DP/DCP/LKA/3), Sudan (DP/DCP/SDN/3), Ukraine (DP/DCP/UKR/3) and the sub-regional programme document for the Pacific Island Countries and Territories (DP/DSP/PIC/2).

43. The Board approved the exceptional fourth one-year extension of the country programme for Libya from 1 January to 31 December 2018 and the third two-year extension of the country programme for Yemen from 1 January 2018 to 31 December 2019.

44. The Board took note of the first one-year extensions of the country programmes for the Democratic Republic of the Congo, Equatorial Guinea, South Sudan and the Syrian Arab Republic from 1 January to 31 December 2018 and the first fifteenth-month extension of the country programme for South Africa from 1 January 2018 to 31 March 2019.

XV. United Nations Capital Development Fund

45. The Executive Secretary, UNCDF, introduced the review of the UNCDF operational reserve (DP/2017/36), which the Director, Office of Finance and Administration, UNDP, followed with a presentation of its details.

46. One delegation welcomed the UNCDF move to refine its methodology to recalculate its operational reserve; it appreciated that the process was evidence-based and believed the proposed changes would be useful in modernizing the Fund's working methods. It welcomed the UNCDF approach to developing its next strategic framework, 2018-2021, and encouraged it to maintain its presence in all Pacific island countries, regardless of their MIC or LDC status. The delegation welcomed the commitment in the strategic framework to conduct more impact evaluations and case studies that took a wider-lens view of its interventions and how they attracted follow-up finance. It encouraged the Fund to ensure the framework was more explicit about its commitment to building a stronger evidence base around the long-term impact of its financial inclusion programmes on the quality of women's lives and economic growth of their communities. It urged UNCDF to leverage the expertise of United Nations organizations, as well as partnerships beyond the United Nations system, to strengthen its story around the transformative impact of its work. The delegation announced a multi-year commitment to core over three years, and appealed to other Member States to step up their core contributions to the Fund and consider the key role UNCDF played for LDCs as part of broader UNDP budget discussions.

47. Another delegation recognized the Fund's unique role in helping development countries, especially LDCs, in achieving the Sustainable Development Goals. The new strategic framework positioned UNCDF to support LDCs in achieving their graduation to MIC status as well as national development goals. It appreciated the Fund's approach to financing the Goals,

which involved communities in driving sustainability forward through innovative projects, and welcomed UNCDF leveraging of private sector financing. The delegation welcomed the refined methodology to recalculate the operational reserve, as well as the proposed revisions to the methodologies for core and non-core resources.

48. The Executive Secretary, UNCDF, noted that the Fund could begin implementing the new methodology for core and non-core resources quickly, and would continue to report to the Board and discuss the status of the reserve going forward.

49. The Executive Board adopted decision 2017/22 on the review of the UNCDF operational reserve.

UNFPA segment

VII. & VIII. Statement by the Executive Director and UNFPA strategic plan, 2018-2021, including financial, budgetary and administrative matters

50. In her statement to the Executive Board (available on Papersmart), the Acting Executive Director noted that the new strategic plan, 2018-2021 (DP/FPA/2017/9) – the first of three strategic plans leading up to 2030 – benefitted from a consultative and transparent process with Board members and stakeholders. The plan reflected the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, and was grounded in the programme of action of the International Conference on Population and Development (ICPD) and the reform agenda of the 2016 quadrennial review. That vision for more effective United Nations system collaboration and innovative thinking – as reflected in the plan's common chapter jointly shared with UNDP, the United Nations Children's Fund (UNICEF) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) – and greater coherence, integration and inclusive partnerships combined to ensure that 'no one is left behind'. UNFPA was committed to that challenge, working to mobilize resources, marshal political support and broaden partnerships, with agility and flexibility.

51. The new plan sought to build on UNFPA comparative advantages and introduced changes that would consolidate its efforts and strengthen coherence, effectiveness and efficiency. It aimed to expand UNFPA work by focusing on achieving three transformative, people-centred results: (a) zero unmet need for family planning; (b) zero preventable maternal deaths; and (c) zero harmful practices and gender-based violence. Those results or 'main drivers' would be the key focus of the Fund's advocacy, communication, partnerships and resource mobilization efforts, grounded in the 'Bull's Eye' and a rights-based approach. Accordingly, UNFPA would work to: (a) strengthen national health care systems through quality care, equity in access and social protection; (b) bolster country office capacity for data collection, analysis and use to identify and track inequalities, ensure targeted investments and achieve national development goals; and (c) build systems for solutions, innovation and impact – all working ultimately to reduce poverty and inequalities.

52. The strategic plan aimed to better align UNFPA efforts with those of other United Nations organizations to protect and empower women and young people, especially adolescent girls. Making UNFPA ever more 'fit-for-purpose' was a key component of the new plan and critical to achieving its goals. Innovation was therefore a corporate priority – an endeavour buttressed by the Innovation Fund with the support of Denmark and Finland, and the Innovation Initiative, which would allow the Fund to obtain real-time feedback and learning for managers. As part of that initiative, UNFPA had commissioned a comparative analysis study of innovation across the

United Nations development system, collecting and comparing data from 11 United Nations organizations and their offices.

53. Achieving the strategic plan goals required enhanced management and staff capacities to face the challenges. UNFPA would implement the change management process in a holistic manner to ensure it possessed the institutional efficiency and effectiveness to meet the 2030 Agenda ambitions, as laid out in the Secretary-General's reform agenda, the 2016 quadrennial review and recommendations of the independent evaluation of the strategic plan, 2014-2017, and keep the Board apprised of progress.

54. As part of her statement, the Acting Executive Director introduced the UNFPA integrated budget, 2018-2021 (DP/FPA/2017/10 and DP/FPA/2017/10/Corr.1) – the financial bedrock of the new strategic plan – and the report of the Advisory Committee on Administrative and Budgetary Questions on the UNFPA integrated budget, 2018-2021 (DP/FPA/2017/14). She drew attention to the ongoing decline in regular (core) resources, and underscored that UNFPA was exploring opportunities, partnerships and platforms that facilitated programmatic and funding innovation, including blended financing options and leveraging different international/domestic financing streams. She explained the drivers of the proposed institutional budget and introduced a proposal to reduce the institutional budget.

55. Board members welcomed the new strategic plan, 2018-2021, and expressed continued strong support for the Fund's mandate, in line with the ICPD programme of action, 2030 Agenda and 2016 quadrennial review. They stressed the importance of the UNFPA mandate in collective efforts to achieve the Sustainable Development Goals. Delegations greatly appreciated the transparent consultative process the Fund followed in engaging Member States and stakeholders in developing the new plan, and expressed full support and readiness to endorse the new strategic plan, 2018-2021, at the Board session. They recognized the work of UNFPA staff across the globe in providing universal access to sexual and reproductive health services, especially in reaching marginalized and vulnerable communities, including in humanitarian settings.

56. Delegations welcomed and reiterated the need for the plan's alignment with the 2030 Agenda, 2016 quadrennial review, ICPD programme of action, the 'Bull's Eye' and lessons learned from the previous strategic plan, 2014-2017. A large number of delegations welcomed and strongly supported the plan's grounding in a human-rights based approach, reflecting gender equality, empowerment of women, reduction of maternal mortality, prevention of gender-based and domestic violence, and its focus on women, girls, adolescents and youth in its sexual and reproductive health and reproductive rights work, including family planning, in development and humanitarian settings.

57. Many delegations were pleased to see the plan took into account United Nations system reform efforts, including the reform agenda of the Secretary-General, in accordance with the 2016 quadrennial review and the strategic plan's common chapter. They welcomed efforts to engage closely with United Nations system organizations in breaking down silos and bridging gaps for enhanced collaboration in development and humanitarian settings.

58. Delegations appreciated the plan's differentiated approach to programming at country level, with tailored assistance to countries' needs and priorities, as defined by programme countries and respectful of national ownership, especially in humanitarian and emergency situations. They encouraged UNFPA to prioritize region-wide assistance to small island developing states (SIDS), which were especially vulnerable to climate change and natural disasters), providing their subregional offices with financial and technical support to ensure the Fund's presence on the ground and assistance in helping countries achieve the Goals.

59. Other delegations welcomed UNFPA efforts to strengthen staff and national capacities to collect, analyse and disaggregate data on population dynamics, including in ageing societies,

helping programme countries to use data for informed decision-making on development policies and interventions. They noted the continued focus on greater efficiency in delivery, accountability and transparency through the Fund's change management process and enhanced risk management, and its continued dialogue with Board members on ways to allocate funds to programme activities. Similarly, they welcomed efforts to improve performance by grounding programme planning in results-based management, monitoring and evaluation, including through stronger milestones and targets.

60. The ongoing core/non-core imbalance remained an important concern among delegations. They called on UNFPA to broaden its donor base and pursue more innovative partnerships and modes of financing, including with the private sector and through South-South cooperation, to address the core/non-core imbalance, which, they warned, could jeopardize the Fund's ability to deliver its mandate and imperil its ability to ensure universal presence in programme countries – especially of concern to least developed countries and SIDS. Delegations welcomed the proposed review of the integrated budget 2018 to ensure a more balanced budget, reflecting links with United Nations system organizations.

61. One delegation, underlining its commitment to women's equal access to reproductive health care, the Beijing Declaration and platform for action and the ICPD programme of action, fully supported the principle of voluntary choice on maternal and child health and family planning but did not recognize abortion as a method of family planning. The delegation stressed that it had no obligation as a Member State to implement previsions of instruments to which it was not a party. Another delegation, in response, expressed concern with the increasing importance of normative discussions in the Board. The delegation affirmed that the Board should focus on operational discussions and implementing principles already agreed in the 2016 quadrennial review and the 2030 Agenda.

62. Many delegations underscored the importance of UNFPA work in humanitarian settings, providing sexual and reproductive health services and addressing gender-based violence and the needs of the most vulnerable. They saw UNFPA playing a key role in strengthening the humanitarian-development nexus and supporting resilience-building. Some delegations called on UNFPA to provide services to migrants, refugees and people on the move, including adolescent girls, and to support host communities. Others encouraged the Fund to provide sexual and reproductive health and family planning services in countries seeking to increase birth rates and promote family values, respecting national cultural and religious approaches. There was a call for UNFPA to be engaged in promoting universal health coverage and address the needs of ageing societies. One delegation cautioned the Fund to avoid engaging in coercive abortion as part of its sexual and reproductive health and family planning services.

63. In response, the Acting Executive Director thanked the Board for its renewed expression of condolence for the late UNFPA Executive Director, Dr. Babatunde Osotimehin, and stressed that the Fund was determined to pursue his vision laid out in the new strategic plan, 2018-2021. She expressed appreciation for the Board's close engagement with UNFPA in developing the new strategic plan, and their strong support for its mandate. She noted the calls to tailor UNFPA work to country-specific needs, and welcomed the appeal for increased funding to core resources and pledges for multi-year funding. She recognized delegations' call for greater coherence, accountability, transparency and better risk management, and welcomed their emphasis on UNFPA partnerships as a driver of results. She assured the Board that the strategic plan was designed to reflect changing development and humanitarian conditions, while grounded in a results-based, rights-based approach, guided by the ICPD programme of action and the 2030 Agenda. UNFPA assistance in crisis and humanitarian settings (such as that besetting the Caribbean region under Hurricane Irma) was grounded in the new strategic plan.

64. She welcomed Board confirmation that core resources remained the bedrock of UNFPA universal presence in programme countries and vital for the viability of its strategic plan; the

Fund would pursue and broaden innovative financing and partnerships to buttress its work. On population dynamics, UNFPA had gained Board support to assist countries in addressing the issue of ageing populations. She underscored the Fund's commitment to treating fistula and making it a rare condition in developing countries. She welcomed delegations' concerns about the importance of rebalancing resources allocated to headquarters, regional and country budgets, and the crucial role the Fund played in bridging the humanitarian-development nexus and pursuing a rights-based approach. She stressed that UNFPA did not condone or engage in any programme of coercive abortion; its work was fully guided by the ICPD programme of action and internationally agreed human rights principles.

65. The Director, UNFPA Programme Division, highlighted that UNFPA had provided an additional allocation of financial resources to countries in the Caribbean region in response to Hurricane Irma. The allocation, made possible by a group of donors seeking to address the core/non-core imbalance, would ensure that country offices in the region continued to deliver effectively during the crisis period. Additional donor contributions went to the UNFPA Emergency Fund, which would allow for prepositioning of supplies to the region. The Fund would provide 6 per cent of all programme resources to support the region during the crisis. He assured delegations of the Fund's commitment to the national direction of UNFPA programmes of assistance. He noted that the challenge of ageing populations was reflected in the country programmes of countries seeking to address that issue; similarly, the new strategic plan laid out a specific approach to classifying each island along with a tailored implementation approach.

66. The Deputy Executive Director (Management) underscored the Fund's close working relationship and coordination with United Nations system partners and commitment to implementing coherence and reform principles laid out on the 2016 quadrennial review and Secretary-General's reform. Noting the challenges and complexity of change management, UNFPA was pursuing a timely, coherent, aligned change management process that optimized the opportunities the process promised. UNFPA would update the Board on its progress with change management at the first regular session 2018.

67. The Executive Board adopted decision 2017/23 on the UNFPA strategic plan, 2018-2021.

68. The Executive Board adopted decision 2017/24 on the UNFPA integrated budget, 2018-2021.

IX. UNFPA structured funding dialogue

69. The Acting Executive Director introduced the UNFPA report on contributions by Member States and others to UNFPA and revenue projections for 2017 and future years (DP/FPA/2017/11), and the Director, Communications and Strategic Partnerships, gave a presentation of the structured funding dialogue.

70. Delegations welcomed the idea of a funding compact and expressed full support for exploring the idea with UNFPA. It was suggested that the funding compact should be led by the Secretary-General, not individual United Nations organizations – in which case more details were needed on how UNFPA would align with the compact. Delegations stressed the importance of a well-funded UNFPA, especially through core resources, that would allow it to fulfil its normative and operational goals. Some pointed to the need for other, more flexible funding, in particular, an interagency funding mechanism that gave United Nations organizations incentives to work together. Delegations encouraged the Fund to engage individually with a range of donors in the funding dialogue.

71. Delegations welcomed the usefulness of the online portal but sought details on gaps, including on spending, such as travel. It was noted that UNFPA financing reform should go hand-in-hand with efforts at governance reform. Delegations took the opportunity to announce

increased funding pledges to UNFPA. One delegation requested that in future funding dialogues UNFPA specify which functions would be financed through core and other 'neutral' sources of funding, indicating how system-wide activities would be financed; in accordance with the report on United Nations reform by the Secretary-General, it requested that future annual reports indicate how UNFPA had prioritized funding allocation within the strategic plan. There was a request for more details of the UNFPA financial situation so Member States could have better understanding of gaps needed to be filled; such close interaction with Board members would help to build resilience in partnerships.

72. The President of the Executive Board welcomed the budget, noting it allowed the setting of more ambitious budget targets in the future. He stressed the need for Board members to better understand funding gaps, as that was a key element in UNFPA efforts to mobilize resources and for Board members to decide whether additional contributions were needed to support the strategic plan. The UNFPA effort to reduce the number of thematic funds was a useful step in determining budget gaps and priorities. Stressing the benefits of a broader donor base that included programme countries, he encouraged UNFPA to appeal to all Board members when mobilizing resources for core resources and to engage with all stakeholders in pursuing the proposed funding compact.

73. In response, the Director, Communications and Strategic Partnerships, noted that 95 per cent of UNFPA core resources were funded by 13 contributing Member States, part of which the Fund ultimately spent on fundraising activities. He appealed to Board members to work with UNFPA to reduce fundraising costs through the proposed funding compact, so more resources could be allocated to programme activities. He underlined the importance of donors committing and adhering to multi-year pledges. A remaining gap was that of mobilizing funding to core resources from programme countries, as they were concerned about the return on their investment. He affirmed that programme countries' contributions to core resources guaranteed UNFPA presence, with its ensuing benefits, at country level. It was not possible to ensure the Fund's presence and drive results only from non-core resources. While the funding compact proposed by the Secretary-General focused on thematic funding and the UNFPA proposal was agency-specific, the two were not mutually exclusive, since the Fund's thematic funding included many aspects of the Secretary-General's proposal. He noted that a large proportion of UNFPA non-core resources came from inter-agency funding via joint programming, which the Secretary-General's proposal would enhance. He drew attention to the 71 per cent gap against the target for humanitarian funding, while noting the proposed funding structure would help to address gaps more strategically through funding streams. He appealed to Board members to continue the funding dialogues during and between Board sessions.

74. The Acting Executive Director stated that UNFPA would work with the Board to determine the frequency and content of future structured funding dialogues. In light of the defunding by one Member State, a significant proportion had been earmarked for the organization's humanitarian fund; the Fund was working to replace these humanitarian funds to respond to crises and humanitarian situations. UNFPA efforts under the comprehensive resource review would continue to refine the budget picture to provide better understanding of gaps and funding streams. Consolidating gains and pursuing innovation would be major themes undergirding the Fund's work throughout the strategic plan, 2018-2021. UNFPA would make itself ever more 'funding worthy' through regular audits, enhanced accountability and transparency, a cycle of monitoring and evaluation, sound management and better data collection and analysis.

75. The Executive Board adopted decision 2017/25 on the UNFPA structured funding dialogue.

X. Country programmes and related matters

76. The UNFPA Acting Executive Director provided an overview of the 20 country programmes presented for Board approval, including the subregional programme for the Pacific island countries, as well as the extensions of nine country programmes.

77. The Deputy Executive Director (Management) presented the country programmes for the Asia and the Pacific region for India, Myanmar, Nepal, Pakistan, Papua New Guinea, Sri Lanka and the subregional programme for the Pacific island countries. The UNFPA regional directors presented the country programmes for the Arab States, East and Southern Africa, Eastern Europe and Central Asia, Latin America and the Caribbean, and West and Central Africa – for Bolivia, Burkina Faso, Costa Rica, Dominican Republic, Gabon, Guinea, Kyrgyzstan, Moldova, Nigeria, State of Palestine, Somalia, Sudan and Ukraine, as well as the extensions of the country programmes for Burundi, Democratic Republic of the Congo, Equatorial Guinea, Lesotho, Liberia, South Africa, South Sudan and the Syrian Arab Republic.

78. Board members expressed continued strong support for the Fund's assistance in the regions. Countries submitting their country programmes and country programme extensions for discussion and adoption by the Board underscored that UNFPA had developed the country programmes in close cooperation with their respective Governments, which fully supported UNFPA mandated activities in their countries in the areas of sexual and reproductive health and family planning. They confirmed that all 20 country programmes, including the subregional programme, were fully aligned with national priorities, as nationally defined, and the respective country United Nations Development Assistance Framework (UNDAF), and contributed to national achievement of the Sustainable Development Goals. All delegations affirmed that they were in the process of implementing the Goals and the 2030 Agenda with the support of UNFPA country and regional offices.

79. The Executive Board reviewed and approved, in accordance with its decision 2014/7, the country programme documents for: Bolivia (DP/FPA/CPD/BOL/6), Burkina Faso (DP/FPA/CPD/BFA/8), Costa Rica (DP/FPA/CPD/CRI/5), Dominican Republic (DP/FPA/CPD/DOM/6), Gabon (DP/FPA/CPD/GAB/7), Guinea (DP/FPA/CPD/GIN/8), India (DP/FPA/CPD/IND/9), Kyrgyzstan (DP/FPA/CPD/KGZ/4), Moldova (DP/FPA/CPD/MDA/3), Myanmar (DP/FPA/CPD/MMR/4), Nepal (DP/FPA/CPD/NPL/8), Nigeria (DP/FPA/CPD/NGA/8), Pakistan (DP/FPA/CPD/PAK/9), Palestine (DP/FPA/CPD/PSE/6), Papua New Guinea (DP/FPA/CPD/PNG/6), Somalia (DP/FPA/CPD/SOM/8), Sri Lanka (DP/FPA/CPD/LKA/9), Sudan (DP/FPA/CPD/SDN/9), Ukraine (DP/FPA/CPD/UKR/3), and the subregional programme document for the Pacific island countries (DP/FPA/CPD/PIC/6).

80. The Board took note of the first one-year extensions of the country programmes for the Democratic Republic of the Congo, Equatorial Guinea, Lesotho, Liberia, South Sudan and Syrian Arab Republic, and approved the 15-month extensions of the country programme for South Africa, and the third, one-year extension of the country programme for Burundi and the third, two-year extension of the country programme for Yemen, as contained in document (DP/FPA/2017/13).

UNOPS segment

XI. Statement by the Executive Director and UNOPS strategic plan, 2018-2021

81. In her statement to the Board, the Executive Director, UNOPS, presented the UNOPS strategic plan, 2018-2021 (DP/OPS/2017/5 and annexes), the UNOPS biennial budget estimates, 2018-2021 (DP/OPS/2017/6 and annexes), the report of the Advisory Committee on

Administrative and Budgetary Questions (ACABQ) on UNOPS budget estimates, 2018-2021 (DP/OPS/2017/7) and the annual statistical report on the procurement activities of the United Nations system, 2016 (DP/OPS/2017/8). She stressed that the new strategic plan built on the mid-term review of the strategic plan, 2014-2017, and close consultations with the Executive Board and partners in and outside the United Nations. Aligned with UNOPS mandate, core competencies and the Sustainable Development Goals, the new strategy focused on implementation of crosscutting services in infrastructure, procurement, project management, human resources and financial management. Specifically, the new strategy strove toward three goals: (a) enabling more efficient management support services; (b) helping partners deliver more effective solutions through technical expertise; and (c) supporting broader efforts to realize the 2030 Agenda. UNOPS was at the forefront of innovation, liaising with innovation stakeholders and helping to set up innovation centres in many countries, focused on the revolutionizing power of technology.

82. The Executive Director highlighted that UNOPS strong finances helped to drive implantation of the new strategy. UNOPS was in constant process of reshaping, realigning and expanding its structure and services to meet stakeholders' demands, better serve the United Nations system, in particular system-wide peace and security programmes, and mitigate risks. UNOPS was committed to the United Nations system-wide drive for gender equality by 2030, and was taking action to address the underrepresentation of women in its operational global portfolio. The organization was keen to boost the quality and impact of its projects by collaborating closely with partners to ensure resilience. UNOPS had refined its approach to United Nations procurement to focus on sustainable procurement to make United Nations procurement more efficient. The new strategy underscored UNOPS commitment to improving procurement practices of programme countries and making United Nations procurement approaches more sustainable.

83. Board members expressed appreciation for the consultative process and constructive dialogue UNOPS organized in developing the strategic plan, 2018-2021. The plan defined a viable, strategic direction for UNOPS and built on its technical expertise and lessons learned. They encouraged UNOPS to continue to share its best practices and experience widely. They were pleased to note that the strategy was aligned with the 2030 Agenda, the 2016 quadrennial review and the Secretary-General's vision for reform. They were keen to see UNOPS contribute actively to realizing the reform agenda and to find new ways of collaborating with the United Nations system. They were pleased with its three-goals approach and adoption of the United Nations 'global approach'. They welcomed the strategic plan's focus on partnerships, especially with United Nations organizations, as a tool to boost efficiency and effectiveness, especially at country level, as a window toward innovation and driver of prevention.

84. Delegations were pleased to see the new strategy highlight gender-sensitive approaches as part of UNOPS operational ambitions, and stressed the importance of having women actively involved in UNOPS work on the ground and gender balance within the organization. That included a call for a human rights-based approach in its work. They encouraged UNOPS to continue to contribute to young people becoming agents of change, and applauded its partnerships in that effort. Middle-income countries expressed appreciation for UNOPS support in providing services in sustainable project management, optimized and simplified procurement, and risk reduction. Delegations encouraged UNOPS to continue to act as a catalyst for government and private sector funding, strengthen its capacity to account for results, engage innovative funding approaches, and periodically revise its cost recovery and pricing policy.

85. Delegations welcomed UNOPS strong financial standing and excellence in transparency, and supported the revenue target of zero for 2018-2019. They welcomed the transparency of its budget estimates provided in succinct format, which facilitated Board oversight. They requested analysis of the operational reserve in subsequent budget estimates and expected procurement standards to be aligned across the United Nations development system. There was a call for

details on UNOPS investments to enhance processes and staff competencies, with an update in subsequent budget estimates. Delegations encouraged UNOPS to address the ACABQ recommendation on performance benchmarking and include detailed information in subsequent budget estimates. They stressed that UNOPS self-financing model could play a part in the Secretary-General's reform agenda. Board members strongly endorsed the strategic plan, 2018-2021, and looked forward to its adoption at the session.

86. In response, the Executive Director, UNOPS, assured the Board that UNOPS would continue to explore opportunities for greater collaboration with United Nations organizations. UNOPS was focused on system-wide implementation of the 2030 Agenda, but she stressed that the United Nations had to explore different avenues for achieving the Goals, including by collaborating with the private sector, sharing risk and driving innovation. Breakthrough technologies could play a key role in driving innovation for the benefit of those in need, at lower cost and greater impact. She highlighted UNOPS work to engage youth through gaming, music and animation, and noted UNOPS was pursuing new partnerships to build stronger resilience in infrastructure activities in support of its urban agenda. UNOPS would report back to the Board on its efforts in management reform, and was committed to gender parity by 2030 internally and in programmes. UNOPS was actively seeking ways, structurally and with partners, to better serve small-island developing states and others on the frontlines of climate change. UNOPS was keen to have a secure operational reserve to ensure better risk management, along with a strong financial situation, transparency and proof of delivery of results on which partners could count.

87. The Executive Board adopted decision 2017/26 on the UNOPS strategic plan, 2018-2021.

88. The Executive Board adopted decision 2017/27 on the UNOPS budget estimates for the biennium, 2018-2021.

Joint segment

XII. Financial, budgetary and administrative matters

89. The Director, Bureau for Management Services, UNDP, introduced the report of UNDP, UNFPA and UNOPS on joint procurement activities (DP-FPA-OPS/2017/1). The Director, Office of Sourcing and Operations, UNDP, the General Counsel and Officer-in-Charge of the New York office, UNOPS, and the Chief, Procurement Services Branch, UNFPA, gave a presentation on report's focus areas and main conclusions from their organizational perspectives.

90. In the only intervention, one Board member sought clarity on whether the funds and programmes gave priority to local procurement sources (at national level), as a way of contributing to country programmes, before reverting to outside procurement sources.

91. In response, the Director, Office for Sourcing and Operations, UNDP, noted that UNDP worked closely with governments to build national capacity for procurement using international standards. Procurement approaches differed among United Nations organizations and often depended on the item purchased. In line with UNDP procurement policy, local procurement depended on the category of items – 70 to 80 per cent of UNDP purchases were procured locally at country level and any category below $100,000 could be bought locally. Local firms had a comparative advantage in terms of pricing.

92. The Chief, Procurement Branch, UNFPA, noted that the Fund approached local procurement through its standard principles of fairness, transparency and timeliness, among others, as did the other United Nations organizations. Using local procurement generally had the benefits of speed. UNFPA especially used local procurement in its growing humanitarian settings where timeliness of delivery was key.

93. The Executive Board adopted decision 2017/28 on the annual statistical report on the procurement activities of United Nations system organizations, 2016.

XIII. Follow-up to the Programme Coordinating Board Meeting of the Joint United Nations Programme on HIV/AIDS

94. The Acting Executive Director, UNFPA, and the Director, Bureau for Programme and Policy Support, UNDP, gave a joint presentation on the joint report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (DP/2017/37-DP/FPA/2017/12).

95. A group of delegations welcomed measures taken by UNDP and UNFPA to review and realign HIV/AIDS processes, linking them to cross-cutting issues and targeting those most in need, especially in light of UNAIDS financial situation. They looked forward to seeing best practice examples showing accelerated resource mobilization efforts during the next Programme Coordinating Board meetings and future Board meetings.

96. The group expected UNAIDS to continue to align with United Nations organizations on the ground, as per the 2016 quadrennial review and ongoing United Nations system reform, which would require greater interagency operational and budgetary efficiency. They sought clarity on how UNDP, UNFPA and UNAIDS reporting mechanisms had been adjusted in light of the revised UNAIDS budget, results and accountability framework (UBRAF). They had expected the report to be more results-oriented in its presentation.

97. The same group commended UNFPA and UNDP for mainstreaming gender equality, women's empowerment and sexual and reproductive health in their AIDS-related work, and strongly supported the UNFPA mandate to accelerate progress on the ICPD programme of action. They commended UNFPA and UNDP for their work on health systems strengthening and using lessons learned from the global AIDS response in tackling broader health challenges.

98. Specifically on UNFPA, the group sought clarity on how the division of labour between UNFPA and UNAIDS co-sponsors would take place at country level, based on comparative advantages. They looked forward to the Fund's role and next steps in operationalizing the Global Coalition of Prevention, and welcomed UNFPA and UNAIDS efforts to put primary prevention back on the agenda.

99. Another delegation welcomed UNAIDS initiative to establish the Global Review Panel. It strongly supported continued UNAIDS leadership in the global AIDS response, and welcomed UNDP and UNFPA inclusion of their AIDS response and roles as co-sponsors within their new strategic plans, 2018-2021, and their alignment to the UNAIDS UBRAF.

100. In response, the UNFPA Acting Executive Director affirmed that close alignment among United Nations organizations on the ground, in accordance with the 2016 quadrennial review, was a principle of joint programming. That included rapid, inclusive country assessments and reconfigurations and a differentiated typology. Noting that the organizations would ensure better results-oriented reporting in future, she underscored that fast-tracking was the main goal – so that 90 per cent of people were tested for the virus and, among positive, eligible people, 90 per cent would be on treatment, while 90 per cent of those on treatment would have suppressed and undetected HIV viral loads. On division of labour, partners focused on comparative advantages. On the Global Coalition of Prevention, that prevention assessments were planned for 10 countries by end 2017 and the zero draft of a road map would undergo country consultations. On primary prevention, the goal was to eliminate new infections, involving comprehensive sexuality education policy reform and attending to gender inequality and stigma.

101. The Senior Technical Advisor, UNFPA, referring to the programme's adolescent and youth component, said there were several coordination mechanisms with United Nations and external partners, where the Fund ensured interventions reached adolescent and youth without duplicating efforts. Expanding coordination beyond the United Nations had proven beneficial – the prevention working group was engaged in a similar effort regarding the two pillars, which included adolescent girls, young women and key populations to ensure coordination at all levels. A strong UNFPA pillar was the focus on safeguarding young people and ensuring their inclusion at country level.

102. The Director, Bureau for Programme and Policy Support, UNDP, stressed that collaborative partnerships around broad development outcomes was a trademark of UNDP work going forward, as laid out in the strategic plan, 2018-2021, especially in the common chapter. UBRAF-related UNDP results would be reported against the monitoring and evaluation frameworks of the respective organizations' strategic plans, at global and country levels, following indicators and targets of the Sustainable Development Goals, thereby allowing Member States to track progress. Noting UNDP commitment to capacity development of national partners with the aim of handing over programme management to national entities, he highlighted two points: (a) exiting a country precipitously for solely political reasons was counterproductive; and (b) fragile settings posed specific challenges to capacity building that forced UNDP to remain on the ground to provide essential services. On grants from the Global Fund to Fight AIDS, Tuberculosis and Malaria, UNDP had transitioned out of its role as principle recipient in 26 countries, demonstrating its success in delivering with tangible results.

103. The Executive took note of the joint report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP/2017/37–DP/FPA/2017/12).

XIV. Field visits

104. The rapporteur presented the report of the joint field visit of the Executive Boards of UNDP/UNFPA/UNOPS, the United Nations Children's Fund (UNICEF), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the World Food Programme (WFP) to Nepal (DP/FPA/OPS-ICEF-UNW-WFP/2017/CRP.1), which was followed by a short film of the joint field visit. The Chief, Country Office Liaison and Coordination Division, Regional Bureau for Asia and the Pacific, UNDP, made a statement focusing on the importance of the joint field visit's timing and recommendations in light of current United Nations reform efforts and the recent signing of the United Nations Development Assistance Framework for Nepal.

105. There were no interventions or comments from Board members on the joint field visit to Nepal.

106. The Executive Board took note of the report on the joint UNDP/UNFPA/UNOPS, UNICEF, UN-Women, WFP field visit to Nepal (DP/FPA/OPS-ICEF-UNW-WFP/2017/CRP.1).

XVI. Other matters

Address by the Chairperson of the UNDP/UNFPA/UNOPS and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) Staff Council

107. In his statement to the Board, the Chairperson, UNDP/UNFPA/UNOPS/UN-Women Staff Council, highlighted the strong working relationships and collaboration the council had with the management of the organizations. He underscored the council's close working relationship with

the new Secretary-General in his efforts to drive forward United Nations reform. He pointed to the importance of regular consultations with staff as an integral part of corporate decision-making. He reiterated ongoing staff concerns on a number of topics, including the importance for transparency, adherence to recruitment and management principles, appropriate contracts and compensation packages, performance management and career development, and respect for the principles of international civil service.

108. In their management responses, the Director, Bureau for Management Services, UNDP, the Director, Division for Human Resources, UNFPA, and the General Counsel and Director, Legal Group, UNOPS, underscored the good working relationships each organization had with the Staff Council and measures each was taking to address staff concerns. They recognized the critical importance of staff and the need for open, transparent engagement with the Staff Council, and welcomed the council's readiness to work with the organizations to address major challenges. They noted the council's strategic, passionate position in deliberations on locally engaged staff compensation packages with the International Civil Service Commission and in other discussions with the United Nations Joint Pension Fund. Despite disagreements, the Staff Council and the organizations shared a common vision to make the United Nations stronger.

109. The Executive Board took note of the statement by the Chairperson of the UNDP/UNFPA/UNOPS/UN-Women Staff Council.